



STATE OF IDAHO  
LIQUOR DIVISION  
P.O. BOX 179001  
1349 E. Beechcraft Court  
BOISE, ID. 83717-9001  
208-947-9400  
208-947-9401 (Fax)

BAILMENT AGREEMENT AND TRADING PARTNER AGREEMENT BETWEEN  
IDAHO STATE LIQUOR DIVISION  
AND

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The Idaho State Liquor Division, an agency of Idaho State Government, hereinafter referred to as ISLD and the supplier identified above, hereinafter referred to as the Supplier; enter into this agreement for the purpose of operating a bailment inventory management program. This agreement will be effective \_\_\_\_\_, and will remain in effect until cancelled or revised in writing by ISLD.

**BAILMENT AGREEMENT**

The bailment inventory management program requires the Supplier to continue to hold title to stock at ISLD distribution center until it is withdrawn from bailment for shipment to the State liquor stores, agencies, and retailers in Idaho.

ISLD and the Supplier agree to the following:

1. ISLD agrees to handle and store, at rates set by ISLD approved items furnished by the Supplier for sale in state liquor stores, agencies, and retailers in Idaho.
2. ISLD agrees to provide the Supplier recommended replenishment quantities (subject to adjustments with increases for truckload, pallet, tier, etc.) and arrival dates at the request of the Supplier.
3. ISLD agrees to purchase any bailment stock, which is lost or is broken by Dispensary employees while stored in the ISLD distribution center.
4. ISLD agrees to maintain a record of all bailment transactions, including a perpetual inventory in the distribution center for its own purposes, and to make reports available to the Supplier for accounting reconciliation purposes.
5. ISLD agrees to allow the Supplier to conduct physical counts of its bailment stock in the distribution center.

## **BAILMENT AGREEMENT**

6. ISLD agrees to request authorization from the Supplier to withdraw bailment stock. No response will be required unless permission to withdraw is denied.
7. ISLD agrees to send official "Idaho Liquor Bailment Withdrawal Invoices" to the Supplier twice monthly, at mid-month and at month-end, for withdrawals of the previous one-half month. The Supplier will then invoice ISLD based on this bailment withdrawal invoice. ISLD will verify the bailment withdrawal invoice against the Supplier invoice. If all is in order and agreement, payment will be issued to the Supplier.
8. ISLD agrees that the Supplier has the right to withdraw or transfer their stock from ISLD distribution center with written request at any time during normal working hours. It is further agreed that ISLD may charge a reasonable "transfer out" charge for merchandise that is removed by the Supplier.
9. The Supplier agrees to secure any applicable state and/or federal basic permits and federal special occupational tax stamps that may be needed before any alcoholic beverages are shipped into the distribution center under the bailment program and provide copies at ISLD request.
10. The Supplier agrees that any unapproved or mis-shipped products will be removed from ISLD's distribution center, at the Supplier's sole expense within 20 working days upon written notification by the Dispensary. If such products are not removed within the 20 days ISLD will consider these goods as excess and overstock fines will accrue.
11. The Supplier agrees to place, without charge, approved items of alcoholic beverages and or related products into ISLD distribution center in Boise. (\*See the *Trading Partners Supply, Shipping & Quantity Parameters Agreement*.) The items shall be shipped in accordance with ISLD's suggested shipping instructions and the Supplier may notify ISLD of the date of departure as well as the estimated date of arrival in Boise. When the merchandise is shipped, it is to be consigned to the Supplier, or the representative or agent in care of ISLD distribution center.
12. The Supplier agrees to assume all storage risks and to acquire any necessary insurance, if deemed advisable, and to hold ISLD harmless from any damage to such stock except breakage caused by ISLD employees while the stock is stored in the Dispensary's distribution center and/or disappearance while in ISLD custody. ISLD may require proof of insurance on merchandise held in bailment.
13. The Supplier agrees to provide ISLD with current price quotations at least 60 days in advance of any price quotation changes (weight, pack, pallet, shippoint, price, etc.) The FOB Boise cost on file will be the price paid by ISLD at the time the merchandise is withdrawn from bailment.

## **TRADING PARTNERS AGREEMENT**

1. There will be a minimum and a maximum quantity for each item (code) stored in ISLD distribution center (exceptions-closeout and special order items).
2. The minimum and maximum parameters will be negotiated between ISLD and the Supplier.
3. These parameters may be adjusted as necessary in accordance with sales volume or due to negotiations.
4. The Supplier has the right to maintain whatever quantities are appropriate within the quantity parameters.
5. The Supplier will not maintain an inventory of special order or closeout items at the ISLD distribution center unless listed or approved by ISLD.
6. ISLD will send the Supplier a suggested replenishment order for special order items. ISLD may "withdraw" the special order merchandise from bailment stock into state stock upon its arrival to ISLD distribution center.
7. A penalty of \$.25 per case per day may be assessed for each case over the maximum. A charge of \$.50 per case per day will be assessed for each case under the minimum that is not shippable under normal shipment and supply conditions.
8. A product that goes below the minimum quantity is at that time "chargeable". Penalty charges will only be assessed at such time that store orders cannot be filled and/or the quantity is at zero. Penalties will be retroactive to the date the merchandise became "chargeable".
9. Penalties will be waived on minimum quantities if they are not met due to a natural disaster (flood, fire, earthquake, etc.), acts of war, or unpreventable strikes and/or walkouts.
10. A grace period of 5 days on all items that are above the maximum will be allowed.
11. It is mandatory that the N.A.B.C.A. issued Control State Code numbers (or ISLD-issued code numbers are included on each item on the shipping manifest.

## **TRADING PARTNERS AGREEMENT**

12. If the order to be shipped is different in any way from the suggested replenishment order placed by ISLD, the Supplier must notify ISLD fifteen (15) days in advance of the merchandise arriving in ISLD distribution center.
13. Each load shall be shipped under shipper's load and count. Each case shall be clearly labeled with the control state code number.
14. If small amounts of damaged merchandise are received, concealed or otherwise, ISLD will purchase the damaged merchandise and file a claim against the Supplier.
15. Local Supplier representatives may be asked to inspect the damaged merchandise and sign ISLD loss/damage form.

## **TRADING PARTNERS AGREEMENT**

16. Products on manifests, which are not shipped (short-shipped), will not be received into bailment by ISLD.
17. Products, which arrive at ISLD distribution center, which are either not listed or not shown on the manifest, will not be received into bailment, the Supplier will be notified and supplier will remove according to instructions provided by ISLD.
18. ISLD reserves the right to refuse an entire shipment of damaged merchandise and/or accept the damaged load and charge the Supplier back for recouping and administrative costs.

### **SUPPLIER INFORMATION**

Supplier Name (or DBA): \_\_\_\_\_

Supplier Mailing Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Phone : \_\_\_\_\_ Fax: \_\_\_\_\_

Primary Supplier Contact Name: \_\_\_\_\_

Primary Supplier Contact Name: \_\_\_\_\_

Primary Supplier Contact E-Mail Address: \_\_\_\_\_

### **AGREEMENT EXECUTION:**

\_\_\_\_\_  
Supplier Representative

\_\_\_\_\_  
ISLD Representative

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date